GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:439
ANSWERED ON:22.02.2006
INTEGRATED DEVELOPMENT IN POWER AND ASSOCIATED SECTORS
Mahato Shri Sunil Kumar;Prasad Shri Hari Kewal

Will the Minister of POWER be pleased to state:

(a) whether the Power Finance Corporation (PFC) has achieved success in creating integrated development in power and associated sectors in the States;

(b) if so, the details thereof and the reaction of the Government thereto;

(c) the amount provided as loan during the last three years, State-wise and year-wise; and

(d) the rate of interest at which loan is advanced to the States?

Answer

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) to (c) : Power Finance Corporation Limited (PFC) is financing all type of power projects including Hydro/Thermal and Transmission Projects, Captive & Co-generation Plants, urban Distribution Systems including installation of energy meters, renovation & modernisation of Generation and Transmission projects. The major beneficiaries of PFC financing continue to be the state power utilities. PFC`s funds are not pre-allocated to the states. Financing is based on
- Request from State Utilities,
- credit worthiness of the borrower, and
- viability of the project.

Power Finance Corporation (PFC) since its inception has sanctioned financial assistance amounting to Rs.89,453 crores and disbursed Rs.57,810 crores (till end December, 2005) to Central Sector, State Sector and Private Sector projects. As a result of PFC assistance, capacity, generating capacity of 43,000 MW has been assisted . Of this, 25,000 MW has been commissioned and balance is under various stages of execution. Financial assistance provided by PFC to the various States during 2002-03 to 2004-05 is given at Annexure-I.

`On the reform side, PFC has facilitated reforms in a number of States in various parameters as shown in the table given below:

Action Plan for financial and operational improvement	Unbundling/ Restructuring Corporatization	Distribution Reform	ARR and Tariff petition
42 Utilities in 17 States	Facilitated in 14 States	Privatization-2 States Corporatization-10 States	20 States

(d) : The interest rates chargeable on the loans by PFC are given in Annexure-II

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PARTS (a) TO (c) OF UNSTARRED QUSTION NO. 439 TO BE ANSWERED IN THE LOK SABHA ON 22.02.2006.

DISBURSEMENT MADE BY PFC . (STATE AND YEAR-WISE)

Rs. in crores

S.NO	NAME OF STATE	2002-03	2003-04	2004-05
1	ANDHRA PRADESH	818.85	611.01	465.82
2	ARUNACHAL PRADESH	15	11.05	0
3	ASSAM	2.95	3.15	25.77
4	BIHAR	0	0	64.68
5	CHATTISGARH	0	0	4.38
6	DELHI	205.59	215.4	10
7	GOA	21.24	17.29	19.97
8	GUJARAT	188.88	786.06	2121.91
9	HARYANA	664.67	1196.39	647.79
10	HIMACHAL PRADESH	779.58	608.92	151.44
11	JAMMU & KASHMIR	16.23	69.3	130.7
12	JHARKHAND	0	47	18.54
13	KARNATAKA	665.04	286.24	292.85
14	KERALA	0	218.23	122.58
15	MADHYA PRADESH	114.05	482.44	592.02
16	MAHARASHTRA	345.58	789	544.41
17	MANIPUR	0	0.12	0.06
18	MEGHALAYA	0	0	0
19	NAGALAND	6.85	0.06	3.96
20	ORISSA	224.32	430.49	193.83
21	PUNJAB	13.71	155.65	77.07
22	RAJASTHAN	1837.8	1074.86	972.04
23	SIKKIM	0	0.06	0.09
24	TAMILNADU	56.83	154.69	442.27
25	TRIPURA	0	0.17	0
26	UTTAR PRADESH	534.22	1051	1572.72
27	UTTARANCHAL	772.32	678.65	229.64
28	WEST BENGAL	57	86.94	700.85
TOTAL		7340.71	8974.17	9405.39

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (d) OF UNSTARRED QUSTION NO. 439 TO BE ANSWERED IN THE LOK SABHA ON 22.02.2006.

SCHEMES	Reforming State Sector Borrowers/Central Sector Borrowers (other than Identified CPSUs and AAA Companies)			
	with reset after every 3 years		with reset after 10 years	
	%		%	
	Pre-COD	Post-COD	Pre-COD	Post-COD
A) Rupees Term Loan(RTL)				
Term Loan/Schemes				
1) Conventional Generation-Large	8.50	8.25	#	#
2) Generation-Others (including Non Conventional)	8.75	8.50	9.50	9.25
3) R&M, R&U, Trans., Dist. and other Schemes	8.50	9.25	9.25	
4) Computerization	7.75	#	#	
B) Short Term Loans - upto 1 year	8.25	#	#	
C) Buyers Line of Credit (BLC)				
1) upto 1 year	8.75	#	#	
2) 1-5 years	9.00	#	#	
3) > 5 years	9.25	#	#	

D) Bill Discounting
1) upto 5 years 9.00 # #
2) > 5 years 9.25 # #

E) Transitional Loan 9.00 # #

F) Concessional Loan for Studies 7.75 # #

G) Lease Financing (During Comm) As per RTL Rate As per RTL Rate

H) Loan to Equipment Manufacturers
1) upto 1 year 8.75 # #
2) 1-5 years 9.00 # #

I) Infrastructure Projects COD : Commercial Operation Date 9.00 8.75 9.75 9.50

1 The above rates are effective rates after timely payment rebate, wherever applicable.

2 The payment of interest is on quarterly basis, unless otherwise indicated.

3 Interest rates for Transmission, Distribution and R&M Schemes under ADB Loan II to State Sector Utilities shall be lower by 0.25% than the interest rates indicated above.

4 Conventional Generation Large Loans = Sanction Amount Rs.700 crores & above

5 Interest rates for Grade C State Sector Borrowers a shall be higher by 0.50% as indicated above.

#Not Applicable